

UNITED STATES BANKRUPTCY ADMINISTRATOR
MIDDLE DISTRICT OF ALABAMA

**CHAPTER 11 INSTRUCTIONS
CONCERNING QUARTERLY FEES**

All chapter 11 cases, filed on or after April 1, 2002 are subject to a quarterly fee. This fee helps fund the operation and maintenance of the courts of the United States.

The fee must be paid to the Clerk, U. C. Bankruptcy court for every quarter (including any fraction thereof), from the time the petition is filed until the date of entry of an order dismissing, converting, or closing the case. The fee is applicable to each and every case commenced under chapter 11 regardless of whether the case has been administratively consolidated with any other case.

Cases pending during even one day during a quarter will be required to pay the fee applicable to that entire quarter.

The debtor is responsible for the prompt and full payment of this fee. The amount varies depending upon the dollar value of **all disbursements*** made during the calendar quarter; however, a minimum fee of \$325.00 is due each quarter even if no disbursements are made during the quarter.

All quarterly fees must be paid before a chapter 11 plan can be confirmed. Section 1129(a)(12) of the Code states: "The Court shall confirm a plan only if all of the following requirements are met. All fees payable under section 1930, as determined by the court at the hearing on the confirmation of the plan, have been paid or the plan provides for the payment of all such fees on the effective date of the plan."

Quarterly fee payments must accompany the original of the Quarterly Fee Statement filed with the **Office of the Clerk, U.S. Bankruptcy Court, Middle District of Alabama, One Church Street, Montgomery, AL 36104. Payments must be made via money order or cashier's check; personal checks will not be accepted.** Direct all correspondence and questions regarding your account to the Office of the Bankruptcy Administrator.

****all disbursements shall be the total of all withdrawal amounts (checks, direct debits, etc.) posted to each bank account plus any cash payments***

Quarterly Fee Schedule Effective January 1, 2008

Quarterly Disbursements	Quarterly Fee
\$0 to \$14,999.99	\$325
\$15,000 - \$74,999.99	\$650
\$75,000 - \$149,999.99	\$975
\$150,000 - \$224,999.99	\$1,625
\$225,000 - \$299,999.99	\$1,950
\$300,000 - \$999,999.99	\$4,875
\$1,000,000 - \$1,999,999.99	\$6,500
\$2,000,000 - \$2,999,999.99	\$9,750
\$3,000,000 - \$4,999,999.99	\$10,400
\$5,000,000 - \$14,999,999.99	\$13,000
\$15,000,000 - \$29,999,999.99	\$20,000
>\$30,000,000 or more	\$30,000

Quarterly Fee Due Dates

Quarter	Ending	Due Date for Payment
1 st Quarter Jan-Feb-Mar	March 31	April 30
2 nd Quarter Apr-May-Jun	June 30	July 31
3 rd Quarter Jul-Aug-Sept	September 30	October 31
4 th Quarter Oct-Nov-Dec	December 31	January 31

It is the debtor's independent responsibility to ensure these fees are paid on or before the due date. The debtor will receive no bill.

Quarterly Fee Statements

Fed. R. Bankr. P. 2015(a)(5) requires that a debtor-in-possession file with the Bankruptcy Court and transmit to the United States Bankruptcy Administrator a statement of disbursements made during a calendar quarter, the amount of quarterly fees owed, and the amount of fees paid to the United States Bankruptcy Court. The Quarterly Fee Statement (see Attached Exhibit "A") must be filed with the Bankruptcy Court in the Middle District of Alabama and transmitted to the United

States Bankruptcy Administrator on or before the last day of the month after the end of each calendar quarter. The check for the quarterly fees should be attached to the original of the statement filed with the court. ***Even if a plan has been confirmed, this report must be timely submitted by all chapter 11 debtors until the case has been converted, dismissed or closed.***

If you seek to voluntarily dismiss your case, you must tender a copy of the check, payable to the Clerk, U.S. Bankruptcy Court, representing payment of the quarterly fee together with a completed Quarterly Fee Statement to the United States Bankruptcy Administrator's representative attending the hearing on dismissal. Failure to tender the quarterly fee may result in the United States Bankruptcy Administrator's opposing dismissal of the case and requesting its conversion to a chapter 7 liquidation.

Collection Actions

Please take notice that a chapter 11 debtor's failure to pay quarterly fees pursuant to 28 U.S.C. § 1930 has significant legal consequences. The United States Bankruptcy Administrator may move for dismissal or conversion of your chapter 11 case. Additionally, please be advised that, pursuant to the Debt Collection Improvements Act of 1996, Public Law 104-134, Title III, §31001(I)(3)(A), 110 Stat. 1321-365, codified at 31 U.S.C. § 3701, *et. seq.*, the United States Bankruptcy Administrator may use the debtor's Taxpayer Identification Number ("TIN") as reported by the debtor or debtor's counsel in connection with the chapter 11 bankruptcy proceedings for the purpose of collection and reporting on any delinquent debt, including chapter 11 quarterly fees.

The United States Bankruptcy Administrator may provide the debtor's TIN to the Department of Treasury for its use in attempting to collect overdue debts. Treasury may make the following steps: (1) submit the debt to the Internal Revenue Service Offset Program so that the amount owed may be deducted from any payment made by the federal government to the debtor, including but not limited to tax refunds; (2) report the delinquency to credit reporting agencies; (3) send collection notices to the debtor; (4) engage private collection agencies to collect the debt, and (5) engage the United States Attorney's office to sue for collection. Collection costs will be added to the total amount of the debt.

Post Confirmation Quarterly Reports

Although monthly operating reports are not required for periods after confirmation, the debtor or other plan proponent is required to submit and file quarterly reports on the status of plan payments. Like the Quarterly Fee Statement, these reports are due thirty (30) days after the calendar quarter ends. So, for example, if the case is confirmed on June 20th, the final operating report covers the period from May 1st to June 20th. The first report on the status of plan payments will be due on July 31st and should cover the period from June 21st through June 30th.

Questions regarding these instructions and reporting requirements should be referenced to the Office of the Bankruptcy Administrator. The Bankruptcy Administrator reserves the right to require additional information as may be necessary to the administration of the case.